## CULTURAL ENDOWMENT FUND INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2008

Current   Prior year   Prior	5 Years Ended 6/30/2008 Net
Market Value   Actual   Policy   Net ROR   Market Value   Actual   Policy   Net ROR   Net   Net   Net	
LARGE CAP DOMESTIC EQUITY  Structured Growth Los Angeles Capital 10,223 4.7% 5.1% -16.95% 12,306 4.9% 5.1% -12.89% -27.65% -7.79% N/A  Total Structured Growth Russell 1000 Growth  10,223 4.7% 5.1% -16.95% 12,306 4.9% 5.1% -12.89% -27.65% -7.79% N/A  Russell 1000 Growth  Structured Value LSV Russell 1000 Value -17.31% Russell 1000 Enhanced Index LA Capital Russell 1000 SP 500 Enhanced Index Westridge 21,341 9.7% 10.1% -16.71% S&P 500 Index State Street 6,616 3.0% 3.4% -17.05% 8,035 -11.64% -26.70% -18.24% N/A  Total 130/30 6,616 3.0% 3.4% -17.05% 8,035 3.2% 3.4% -11.64% -26.70% -18.24% N/A  S&P 500  TOTAL LARGE CAP DOMESTIC EQUITY  SMALL CAP DOMESTIC EQUITY  SMALL CAP DOMESTIC EQUITY	Net
Structured Growth   10,223   4.7%   5.1%   -16.95%   12,306   4.9%   5.1%   -12.89%   -27.65%   -7.79%   N/A	
Los Angeles Capital	
Total Structured Growth Russell 1000 Growth Structured Value LSV Russell 1000 Value Russell 1000 Enhanced Index LA Capital Russell 1000 S&P 500 Index Structured Structured Sap 500 Index State Street India Structured Index Sap 500  SMALL CAP DOMESTIC EQUITY  SMALL CAP DOMESTIC EQUITY  10,223  4.7% 5.1% -10.95% -17.61% -17.61% -10.95% -17.61% -12,306  4.9% 5.1% -10.95% -12,306 -12,306 -12,306 -12,306 -12,306 -12,306 -12,306 -12,306 -12,306 -12,306 -12,306 -12,306 -11,627 -12,33% -21,65% -22,76% -25,53% -21,43% N/A -22,37% -18,78% -22,37% -18,78% -22,37% -18,78% -22,37% -18,78% -10.95% -10.1%	NI/A
Russell 1000 Growth   Structured Value   LSV   9,305   4.2%   5.1%   -20.01%   11,627   4.7%   5.1%   -6.65%   -25.33%   -21.43%   N/A   Russell 1000 Value   -17.31%   24,864   10.0%   10.1%   -9.52%   -23.73%   -9.54%   N/A   Russell 1000 Enhanced Index   LA Capital   20,761   9.5%   10.1%   -15.71%   24,864   10.0%   10.1%   -9.52%   -23.73%   -9.54%   N/A   Russell 1000   -17.46%   -17.46%   -17.46%   -25.37%   -25.18%   -12.36%   S&P 500 Enhanced Index   21,341   9.7%   10.1%   -16.71%   25,615   10.3%   10.1%   -8.06%   -23.42%   -12.18%   N/A   S&P 500   -16.79%   -16.79%   -16.79%   -16.79%   -16.79%   -16.79%   -26.70%   -18.24%   N/A   -16.79%   -	N/A N/A
Structured Value   Structured	IVA
LSV	
Russell 1000 Value Russell 1000 Enhanced Index  LA Capital Russell 1000 S&P 500 Enhanced Index  State Street Total 130/30 S&P 500 Total 130/30 S&P 500 TOTAL LARGE CAP DOMESTIC EQUITY  Russell 1000 Value  -17.31%  24,864 10.0% 10.1% -9.52% -9.52% -23.73% -9.54% N/A  24,864 10.0% 10.1% -9.52% -23.73% -9.54% N/A  25,615 10.3% 10.1% -8.06% -23.42% -12.18% N/A  -16.79%  8,035 -11.64% -26.70% -18.24% N/A  -17.05% -8.37% -23.76% -18.24% N/A  -16.79%  -16.79%  -16.79%  -16.79% -16.79% -16.79% -16.79% -16.79% -16.79% -17.05% -17.	N/A
Russell 1000 Enhanced Index  LA Capital  Russell 1000  S&P 500 Enhanced Index  Westridge  State Street  Total 130/30  S&P 500  Total LARGE CAP DOMESTIC EQUITY  SMALL CAP DOMESTIC EQUITY  P. 50,761  20,761  9.5%  10.1%  10.0%  10.1%	IN/A
LA Capital 20,761 9.5% 10.1% -15.71% 24,864 10.0% 10.1% -9.52% -23.73% -9.54% N/A Russell 1000 -17.46% -9.35% -25.18% -12.36% -9.35% -25.18% -12.36% -9.35% -25.18% -12.36% -9.35% -25.18% -12.36% -9.35% -25.18% -12.36% -9.35% -25.18% -12.36% -9.35% -25.18% -12.36% -9.35% -25.18% -12.36% -9.35% -9.35% -9.35% -12.36% -9.35% -9.35% -12.36% -9.35% -9.35% -12.36% -9.35% -9.35% -12.36% -9.35% -9.35% -12.36% -9.35% -9.3	
Russell 1000         S&P 500 Enhanced Index         Westridge       21,341       9.7%       10.1%       -16.71%       25,615       10.3%       10.1%       -8.06%       -23.42%       -12.18%       N/A         S&P 500       -16.79%       -17.05%       8,035       -11.64%       -26.70%       -18.24%       N/A         Total 130/30       6,616       3.0%       3.4%       -17.05%       8,035       3.2%       3.4%       -11.64%       -26.70%       -18.24%       N/A         S&P 500       -16.79%       -8.37%       -23.76%       -13.12%         TOTAL LARGE CAP DOMESTIC EQUITY       68,246       31.2%       33.8%       -16.94%       82,446       33.0%       33.8%       -9.42%       -24.76%       -12.71%       N/A         SMALL CAP DOMESTIC EQUITY	N/A
S&P 500 Enhanced Index         Westridge       21,341       9.7%       10.1%       -16.71%       25,615       10.3%       10.1%       -8.06%       -23.42%       -12.18%       N/A         S&P 500       -16.79%       -16.79%       -8.37%       -23.76%       -13.12%       -13.12%         Index       State Street       6,616       -17.05%       8,035       -11.64%       -26.70%       -18.24%       N/A         Total 130/30       6,616       3.0%       3.4%       -17.05%       8,035       3.2%       3.4%       -11.64%       -26.70%       -18.24%       N/A         S&P 500       -16.79%       -16.79%       82,446       33.0%       33.8%       -9.42%       -24.76%       -12.71%       N/A         SMALL CAP DOMESTIC EQUITY         SMALL CAP DOMESTIC EQUITY	.471
Westridge         21,341         9.7%         10.1%         -16.71%         25,615         10.3%         10.1%         -8.06%         -23.42%         -12.18%         N/A           S&P 500         -16.79%         -16.79%         -16.79%         -8.37%         -23.76%         -13.12%           Index         State Street         6,616         -17.05%         8,035         -11.64%         -26.70%         -18.24%         N/A           Total 130/30         6,616         3.0%         3.4%         -17.05%         8,035         3.2%         3.4%         -11.64%         -26.70%         -18.24%         N/A           S&P 500         -16.79%         -16.79%         82,446         33.0%         33.8%         -9.42%         -24.76%         -12.71%         N/A           SMALL CAP DOMESTIC EQUITY         68,246         31.2%         33.8%         -16.79%         82,446         33.0%         33.8%         -9.42%         -24.76%         -12.71%         N/A           SMALL CAP DOMESTIC EQUITY         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%         -10.79%<	
S&P 500       -16.79%       -8.37%       -23.76%       -13.12%         Index       State Street       6,616       -17.05%       8,035       -11.64%       -26.70%       -18.24%       N/A         Total 130/30       6,616       3.0%       3.4%       -17.05%       8,035       3.2%       3.4%       -11.64%       -26.70%       -18.24%       N/A         S&P 500       -16.79%       82,446       33.0%       33.8%       -9.42%       -23.76%       -13.12%         TOTAL LARGE CAP DOMESTIC EQUITY       68,246       31.2%       33.8%       -16.94%       82,446       33.0%       33.8%       -9.42%       -24.76%       -12.71%       N/A         SMALL CAP DOMESTIC EQUITY       50.0%       -16.79%       -	N/A
State Street         6,616         -17.05%         8,035         -11.64%         -26.70%         -18.24%         N/A           Total 130/30         6,616         3.0%         3.4%         -17.05%         8,035         3.2%         3.4%         -11.64%         -26.70%         -18.24%         N/A           S&P 500         -10.79%         -16.79%         -8.37%         -23.76%         -13.12%           S&P 500         -10.79%         -16.79%         82,446         33.0%         33.8%         -9.42%         -24.76%         -12.71%         N/A           SMALL CAP DOMESTIC EQUITY         -10.79%<	
State Street         6,616         -17.05%         8,035         -11.64%         -26.70%         -18.24%         N/A           Total 130/30         6,616         3.0%         3.4%         -17.05%         8,035         3.2%         3.4%         -11.64%         -26.70%         -18.24%         N/A           S&P 500         -10.79%         -16.79%         -8.37%         -23.76%         -13.12%           S&P 500         -10.79%         -16.79%         82,446         33.0%         33.8%         -9.42%         -24.76%         -12.71%         N/A           SMALL CAP DOMESTIC EQUITY         -10.79%<	
Total 130/30         6,616         3.0%         3.4%         -17.05%         8,035         3.2%         3.4%         -11.64%         -26.70%         -18.24%         N/A           S&P 500         -16.79%         -16.79%         82,446         33.0%         33.8%         -9.42%         -23.76%         -13.12%           SMALL CAP DOMESTIC EQUITY         68,246         31.2%         33.8%         -16.94%         82,446         33.0%         33.8%         -9.42%         -24.76%         -12.71%         N/A           SMALL CAP DOMESTIC EQUITY         -10.79%	N/A
TOTAL LARGE CAP DOMESTIC EQUITY  68,246 31.2% 33.8% -16.94% 82,446 33.0% 33.8% -9.42% -24.76% -12.71% N/A  \$&P 500	N/A
S&P 500 -16.79% -8.37% -23.76% -13.12% SMALL CAP DOMESTIC EQUITY	
S&P 500 -16.79% -8.37% -23.76% -13.12% SMALL CAP DOMESTIC EQUITY	N/A
SMALL CAP DOMESTIC EQUITY	IVA
Manager-of-Managers	
SEI 10,424 4.8% 5.6% -22.99% 13,482 5.4% 5.6% -6.64% -28.10% -20.93% N/A	N/A
Russell 2000 + 200bp -20.64% -0.61% -21.12% -14.48%	
Enhanced	
Research Affiliates   11,503 5.3% 5.6% -21.05%   14,559 5.8% 5.6% -2.34% -22.89% N/A N/A	N/A
Clifton 13 0.0% 0.0% N/A - 0.0% 0.0% N/A N/A N/A N/A	N/A
Total Enhanced 11,516 5.3% 5.6% -21.05% 14,559 5.8% 5.6% -2.34% -22.89% N/A N/A	N/A
Russell 2000 -20.80% -1.11% -21.68% -16.19%	
TOTAL SMALL CAP DOMESTIC EQUITY 21,940 10.0% 11.3% -21.98% 28,041 17.1% 11.3% -4.46% -25.46% -21.14% N/A	N/A
Russell 2000 -20.80% -1.11% -21.68% -16.19%	
INTERNATIONAL EQUITY	
Large Cap - Active	
Capital Guardian 7,380 3.4% 4.0% -19.54% 9,210 3.7% 4.0% -19.12% -34.93% -12.37% N/A	N/A
LSV 7,293 3.3% 4.0% -20.12% 9,125 3.7% 4.0% -17.02% -33.72% -25.78% N/A	N/A
Total Large Cap - Active 14,673 6.7% 8.0% -19.83% 18,335 7.3% 8.0% -18.09% -34.34% -19.29% N/A	N/A
MSCI EAFE - 50% Hedged -17.28% -16.79% -31.17% -15.14%	
Small Cap - Value	N1/A
DFA 1,648 0.8% 1.0% -21.76% 2,106 0.8% 1.0% -20.83% -38.05% N/A N/A Total Small Cap Value 1,648 0.8% 1.0% -21.76% 2,106 0.8% 1.0% -20.83% -38.05% -12.74% N/A	N/A <b>N/A</b>
Total Small Cap Value         1,648         0.8%         1.0%         -21.76%         2,106         0.8%         1.0%         -20.83%         -38.05%         -12.74%         N/A           S&P/Citigroup Broad Market Index < \$2BN	IN/A
25.00/0 41.71/0 25.45/0	
Small Cap - Growth	
Vanguard 1,535 0.7% 1.0% -24.14% 2,021 0.8% 1.0% -25.01% -43.11% -17.52% N/A	N/A
Citigroup Broad Market Index < \$2BN -23.80% -41.71% -25.49%	
TOTAL INTERNATIONAL EQUITY 17,855 8.2% 10.0% -20.40% 22,463 9.0% 10.0% -19.01% -35.53% -18.83% N/A	N/A
MSCI EAFE - 50% Hedged -17.28% -15.14%	

## CULTURAL ENDOWMENT FUND INVESTMENT PERFORMANCE REPORT AS OF OCTOBER 31, 2008

										Prior Year	3 Years	5 Years
	October-08				September-08				FYTD	FY08	Ended	Ended
		Alloca		<u>Month</u>		Alloca		Quarter			6/30/2008	
	Market Value	Actual	Policy	Net ROR	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
DOMESTIC FIXED INCOME Core Bond												
Western Asset	26,592	12 1%	11.5%	-6.68%	28,492	11.4%	11.5%	-5.05%	-11.39%	2.06%	N/A	N/A
Lehman Aggregate	20,002	12.170	111070	-2.36%	20,102	111-170	111070	-0.49%	-2.84%	7.12%	14,71	1471
Mortgage Backed												
Hyperion	5.145	2.3%	3.0%	-7.36%	5,483	2.2%	3.0%	-21.09%	-26.90%	-20.24%	N/A	N/A
Lehman Global Aggregate (US Securitized Po		,		-3.66%	2,122			-1.46%	-5.07%	10.14%		
Core Plus/Enhanced	,											
Clifton Group	8.602	3.9%	3.0%	-0.25%	8.678	3.5%	3.0%	0.43%	0.18%	10.17%	N/A	N/A
Prudential	8.091	3.7%	3.0%	-5.21%	8.456	3.4%	3.0%	-1.35%	-6.49%	4.89%	N/A	N/A
Total Core Plus/Enhanced	16,693	7.6%	5.9%	-2.70%	17,134	6.9%	5.9%	-0.46%	-3.15%	7.55%	N/A	N/A
Lehman Aggregate				-2.36%	·			-0.49%	-2.84%	7.12%		
Index												
Bank of ND	14,597	6.7%	5.2%	-2.32%	14,940	6.0%	5.2%	-1.24%	-3.53%	7.68%	N/A	N/A
Lehman Gov/Credit				-2.51%				-1.64%	-4.10%	7.24%		
BBB Average Quality												
Wells Capital (formerly Strong)	26,853	12.3%	11.5%	-7.91%	29,212	11.7%	11.5%	-3.67%	-11.29%	3.55%	N/A	N/A
Lehman US Credit BAA				-10.95%				-4.85%	-15.26%	2.62%		
TOTAL DOMESTIC FIXED INCOME	89,880	41.0%	37.0%	-5.69%	95,262	38.2%	37.0%	-4.37%	-9.82%	2.32%	N/A	N/A
Lehman Aggregate				-2.36%				-0.49%	-2.84%	7.12%		
REAL ESTATE												
JP Morgan	12,971	5.9%	5.0%	-2.32%	13,300	5.3%	5.0%	-0.41%	-2.71%	-0.77%	N/A	N/A
NCREIF Total Index	,			-0.06%	,			-0.17%	-0.23%	9.20%		
CASH EQUIVALENTS												
Bank of ND	8,165	3.7%	3.0%	0.13%	8,154	3.3%	3.0%	0.48%	0.61%	3.43%	N/A	N/A
90 Day T-Bill				0.11%				0.63%	0.74%	3.63%		
TOTAL CULTURAL ENDOWMENT FUND	219,057	100.0%	100.0%	-13.35%	249,666	105.8%	100.0%	-7.23%	-19.62%	-7.58%	N/A	N/A
POLICY TARGET BENCHMARK	-,,,			-10.61%	.,			-4.83%	-14.93%	-4.79%		
NOTE M. (II. ( ) I. ( )				•	•							

NOTE: Monthly returns and market values are preliminary and subject to change.